(d) what is the present estimated cost of the project?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) A joint venture company with a consortium led by M/s Siemens, Germany has been chosen as strategic Joint Venture partner. Joint Venture Company was incorporated in January 2001. Share Holder Agreement was signed on 23rd January Engineering Procurement and Construction (EPC) agreement has been frozen. Action is at an advanced stage for finalising concession Agreement, CNS/ATM Agreement, State Support Agreement and land lease Agreement. M/s. ICICI have been appointed as financial arranger.

(b) Financial close is expected to be achieved by the end of December, 2003. The actual construction will commence immediately after the Financial Close. The target opening date for the airport is 33 months from the date of Financial Close.

(c) The original estimated cost of the airport project was $230 million (Rs. 1150 Crores).

(d) The present estimated cost of the project is Rs. 1330 crores approximately.

Purchase of smaller aircrafts by AI

1394. SHRI A. VIJAYARAGHAVAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India decided to buy smaller aircrafts, especially 146 seaters, a class of air craft in tune with Indian Airlines requirements;

(b) if so, the details including number and the total amount proposed to spent for the purchase;

(c) whether the decision to buy smaller aircrafts will result in the competition with Indian Airlines in the light of the "open sky policy"; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) The Board of Directors of Air India in its meeting held on 8.11.2003 approved the proposal for acquisition of 10 medium capacity long-range (A340-300) and 18 small

capacity short-range (B-737-800) aircraft at an estimated cost of Rs. 10,589 crores.

(c) No, Sir.

(d) Does not arise.

Development of Kolkata as a regional HUB

1395. SHRI NILOTPAL BASU: Will the Minister of CIVIL AVIATION be pleased to refer to answer to Unstarred Question 1 given in the Rajya Sabha on the 2nd December, 2003 and state:

(a) whether Government and its national carriers (Air India and Indian Airlines) are gearing up to take advantage of the opportunities emanating from open sky policy with countries of ASEAN;

(b) if so, whether Kolkata Airport is sought to be developed as a regional hub in this context;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) to (d) The liberalization of air services arrangements with ASEAN nations, will provide reciprocal opportunities to Indian carriers to expand their operation to this region. Air India and Indian Airlines will be able to mount additional services from our international airports including Kolkata, to ASEAN countries. However, the actual utilization of these opportunities will depend on their commercial judgement.

Expansion of Indian Airlines Airport Services Ltd.

1396. SHRI R.K. ANAND: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government have approved fresh investment and expansion of Indian Airlines Airport Services Ltd., a subsidiary of Indian Airlines; and

(b) if so, the purpose for investment and weather the said business plan has been approved by the Board of Indian Airlines?